## UNITED STATES OF AMERICA Before the SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940 Release No. 4100 / June 1, 2015

**ADMINISTRATIVE PROCEEDING** File No. 3-16563

: ORDER INSTITUTING

In the Matter of : ADMINISTRATIVE PROCEEDINGS

: PURSUANT TO SECTION 203(f) OF THE

BENJAMIN LEE GRANT, : INVESTMENT ADVISERS ACT OF 1940,

: MAKING FINDINGS, AND

Respondent. : IMPOSING REMEDIAL SANCTIONS

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The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(f) of the Investment Advisers Act of 1940 ("Advisers Act") against Benjamin Lee Grant ("Grant" or "Respondent").

I.

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement ("Offer") which the Commission has determined to accept. Solely for the purpose of these proceedings, and any other proceedings brought by or on behalf of the Commission or in which the Commission is a party, Respondent admits the Commission's jurisdiction over him and the subject matter of these proceedings, and the findings contained in Sections III.1 to III.3 below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions ("Order"), as set forth below.

## III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Grant lives in Boston, Massachusetts. Since 2005, he has been the sole owner of Sage Advisory Group, LLC ("Sage"), a Massachusetts limited liability company. Sage registered with the Commission as an investment adviser in July 2005.

- 2. On May 27, 2015, a final judgment was entered by consent against Grant in the civil action entitled *Securities and Exchange Commission v. Sage Advisory Group, LLC et al.*, Case No. 1:10-cv-11665-GAO, in the United States District Court for the District of Massachusetts (the "2010 Action"). The final judgment permanently restrained and enjoined Grant from violating Sections 206(1), 206(2), 206(4) and 204A of the Advisers Act and Rules 206(4)-7 and 204A-1 thereunder. The Commission's complaint in the 2010 Action alleged that Grant made material misrepresentations and omissions to his former brokerage customers in order to induce them to become clients of Sage, his new investment advisory firm. On August 13, 2014, a jury returned a verdict for the Commission on its claims that Grant violated Sections 206(1), 206(2), 206(4), and 204A of the Advisers Act and Rules 206(4)-7 and 204A-1.
- 3. On May 27, 2015, a final judgment was entered by consent against Grant in the civil action entitled *Securities and Exchange Commission v. John Alexander Grant et al.*, Case No. 1:11-cv-11538-GAO, in the United States District Court for the District of Massachusetts (the "2011 Action"). The final judgment permanently restrained and enjoined Grant from violating Sections 206(1), 206(2) and 207 of the Advisers Act. The Commission's complaint in the 2011 Action alleged that Grant's father was associated with Sage, and that Grant made material misrepresentations and omissions concerning his father's prior disciplinary history, which included: (i) a permanent injunction entered by the United States District Court for the District of Massachusetts against future violations of certain registration and anti-fraud provisions of the federal securities laws; (ii) an administrative order issued by the Commission that barred him from associating with a broker-dealer or investment adviser; (iii) a conviction for bankruptcy fraud; and (iv) a temporary suspension from the practice of law. When Grant consented to entry of a final judgment in the 2011 Action, he admitted that he had violated Sections 206(1), 206(2), and 207 of the Advisers Act.

## IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Grant's Offer.

Accordingly, it is hereby ORDERED, pursuant to Section 203(f) of the Advisers Act, that Respondent Grant is barred from associating with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization acting.

By the Commission.